



Florida Municipal Power Agency

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## News Release

### **FERC Upholds FMMPA on Comparability; FPL Ordered to Comply**

ORLANDO, Fla., Dec. 18, 2003 – Federal energy regulators issued a decision Dec. 16 that benefits customers of municipal electric utilities by ensuring that electric transmission facilities receive comparable rate treatment, a ruling that the Florida Municipal Power Agency (FMMPA) has long championed on behalf of Florida's municipal electric utilities.

In 1993, Florida Power and Light (FPL) requested approval from the Federal Energy Regulatory Commission (FERC) for a plan to overhaul its rates for various types of wholesale power sales and transmission service. FMMPA opposed various elements of the plan and filed a protest with FERC on behalf of consumer-owned utilities. Most issues in this case were settled in 2000. The exception was the question of whether cost allocation tests were being applied consistently to the facilities of transmission providers, like FPL, and transmission owners who are also transmission customers, like FMMPA and its members.

Roger Fontes, FMMPA's general manager and CEO, said, "Our position is and always has been that our transmission should be treated in exactly the same way as FPL's transmission. If the transmission facilities of private utilities count in FERC-approved transmission rates, then our comparable facilities must count. If regulators decide to exclude our facilities, then the comparable facilities of private utilities must be excluded from transmission rates."

"In this case we told FERC, if they determined that the transmission facilities of FMMPA and its members are not integrated with the grid, then they need to look around FPL's transmission system because there are FPL facilities that serve their local distribution areas that FMMPA and its members are paying for right now. The issue is comparability. If you include theirs, include ours. If you don't include ours, don't include theirs."

In its decision, FERC directed FPL to file within 90 days a proposed rate schedule that does not include those FPL facilities that fail to meet the same integration test as applied to FMMPA and its members' facilities.

"We look forward to working with FPL to identify which of its facilities should be removed from its rates for wholesale transmission service. We can finally be assured of comparability and put this issue behind us," Fontes said.

Florida Municipal Power Agency (FMMPA) is a wholesale power supplier owned by 29 municipal electric utilities. FMMPA provides economies of scale in power generation and related services to



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support community-owned electric utilities. The members of FMPA serve approximately 1.7 million Floridians. FMPA's members include Alachua, Bartow, Bushnell, Chattahoochee, Clewiston, Fort Meade, Fort Pierce, Gainesville, Green Cove Springs, Havana, Homestead, Jacksonville Beach, Key West, Kissimmee, Lake Worth, Lakeland, Leesburg, Moore Haven, Mount Dora, New Smyrna Beach, Newberry, Ocala, Orlando, Quincy, St. Cloud, Starke, Vero Beach, Wauchula and Williston. Additional information is available on the Internet at [www.fmpa.com](http://www.fmpa.com).

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